



At İstor Kuyumculuk, we are dedicated to upholding the highest standards in combating the laundering of proceeds of crime, terrorist financing, and the financing of the proliferation of weapons of mass destruction (WMD), along with associated crimes. Our firm commitment to both national and international efforts in these areas is encapsulated within a robust compliance program that we have integrated into our organizational structure.

#### Legal Framework

Our compliance program is structured around and adheres to the following legislative frameworks and their associated regulations:

- Law Nr. 5549 on the Prevention of Laundering Proceeds of Crime
- Law Nr. 6415 on the Prevention of Terrorist Financing
- Law Nr. 7262 on the Prevention of Financing of the Proliferation of WMD
- Adherence to Know Your Customer (KYC) Policies and related procedures, in line with international norms

#### Risk-Based Approach

Understanding the multifaceted nature of laundering and financing activities across industries, our program utilizes a risk-based approach. This strategy helps in pinpointing and evaluating potential risks specific to our operations, thereby enabling the setting up of tailored criteria and methods for mitigating and managing these risks effectively.

#### Implementation Procedures

The fundamental elements of our compliance program include:

- Development of policies and procedures that reflect national risk assessments.
- Active risk management practices.
- Implementation of ongoing monitoring and control mechanisms.
- Designation of a compliance officer and the formation of a specialized compliance unit.
- Regular training programs for our staff.
- Execution of comprehensive internal audits.
- Adherence to all reporting and record-keeping requirements.
- Stringent KYC practices, including thorough customer due diligence.
- Encouragement of information sharing within the financial group.

#### Responsibility and Review

The Board of Directors bears ultimate responsibility for the compliance program's effectiveness, adequacy, and proper implementation. All employees are expected to adhere to the program's directives. Our policies and procedures undergo regular reviews to ensure they remain updated, effectively communicated, and understood by all staff members.

##### 1. PURPOSE

This guideline is established to ensure İstor Kuyumculuk ("İstor" or "the Company") complies with regulations concerning "Asset Freezing and the Procedures and Principles to be Followed in the Abolition of These Decisions," as part of setting Regulatory Compliance standards.

##### 2. RESPONSIBILITY AND AUTHORITY

2.1 The Director General's Responsibility: The Director General holds responsibility for the execution of this guideline.

2.2 Review and Update: The Director General is tasked with the periodic review and updating of this guideline to maintain its efficacy and compliance with evolving laws and regulations.

2.3 Unit Manager(s) and Employee Compliance: Relevant Unit Manager(s) are responsible for ensuring all employees are well-informed about and adhere to this guideline.

##### 3. APPLICATION

Consistent with the "Procedures and Principles to be Followed in the Freezing of Assets and the Abolition of These Decisions" aimed at countering the financing of terrorism and the proliferation of weapons of mass destruction, İstor Kuyumculuk adopts the following procedural guidelines:

###### 3.1 Operational Service Review:

a) In cases of ongoing precious metal sales transactions where payment has been received, the precious metals shall not be delivered to the purchaser. Furthermore, any amounts collected, either in cash or as credit, will not be reimbursed.



b) For transactions not yet completed, precious metals that have been transferred without receiving payment will not be reclaimed by the seller.

3.2 **BIST Precious Metals and Precious Stones Market Transactions:** Transactions involving the BIST Precious Metals and Precious Stones Market prompt immediate notification to the stock exchange authorities to freeze the assets of the parties involved.

3.3 **Ministry Notifications:** Responses to all notifications from the Ministry shall be conducted using the same communication method as received, promptly after the completion of the asset freezing transactions, and within a maximum timeframe of 7 days.

3.4 **Non-Asset or Unregistered Asset Cases:** Individuals who do not possess assets within our control or whose assets are not registrable will be reported to the Ministry along with their identity information, highlighting these details.

3.5 **Asset Record Holders:** The freezing of assets for individuals with recorded assets will be documented and reported to the Ministry.

3.6 **Asset Freeze Lift Instructions:** Upon receiving instructions from the Ministry to lift an asset freeze, the executed actions will be reported back to the Ministry as per the directives.

#### 4. **Effective Date**

This guideline is enacted in accordance with the relevant legislative provisions, effective from August 25, 2023

#### **ANNEXES**

For further clarification, the following annexes are included:

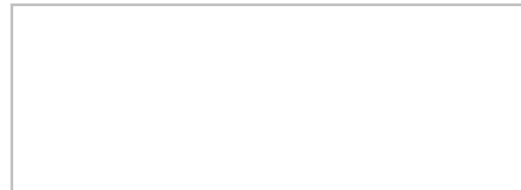
- **Annex 1:** An example of the regulation utilized
- **Appendix 2:** An example of a published communiqué

This reiteration of the policy for İstor Kuyumculuk aims to emphasize our firm commitment to legal compliance and our proactive stance in combating the financing of terrorism and the proliferation of weapons of mass destruction through diligent application of our established procedures.

Last updated on: 25.08.2023

**APPROVED BY THE CEO AND THE BOARD OF DIRECTORS**

İstor Kuyumculuk San. ve Tic. A.Ş.



*PREPARED AND APPROVED BY İSTOR KUYUMCULUK BOARD OF DIRECTORS*